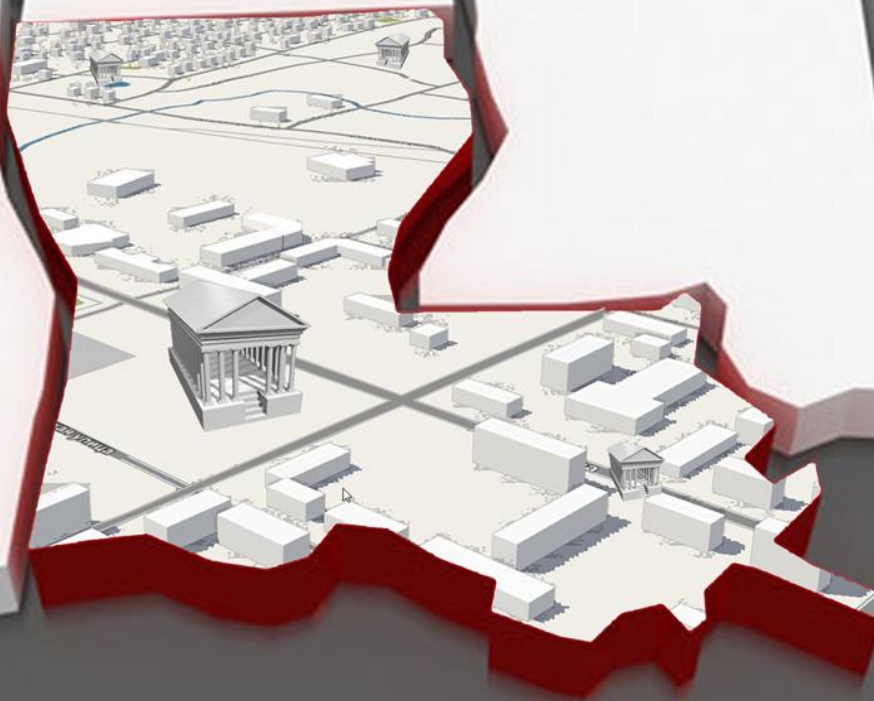




# The Landscape of **Louisiana** Higher Education



**LSU**

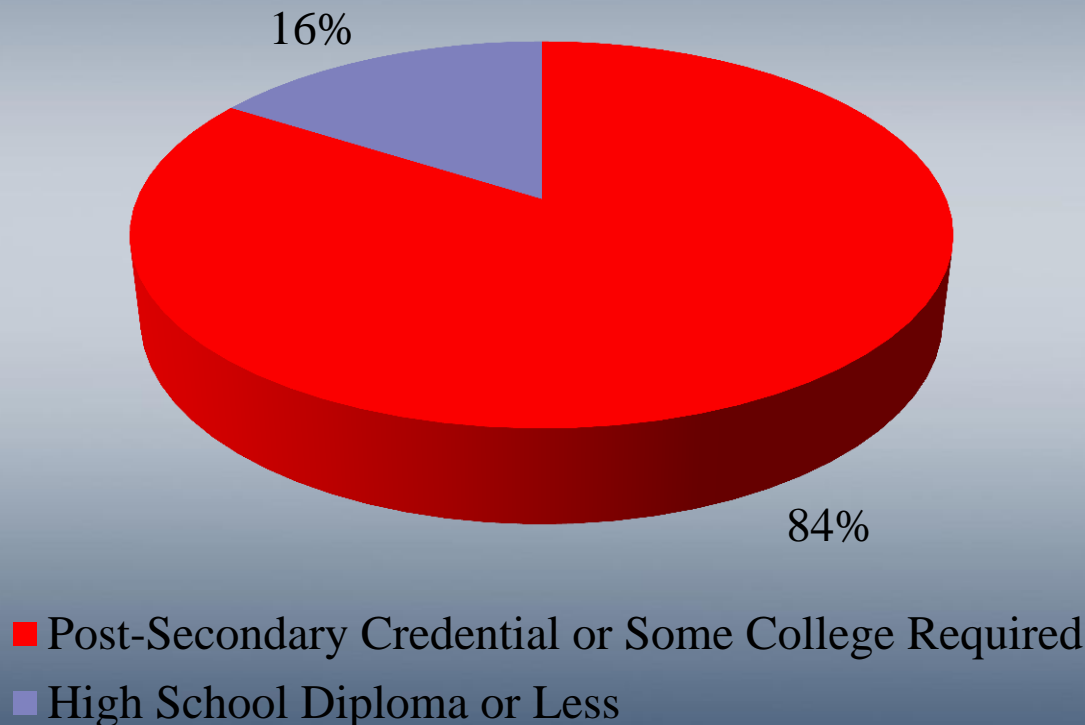


**UNIVERSITY OF  
LOUISIANA**  
SYSTEM

March, 2016

# Louisiana Graduates for Louisiana Jobs

## Louisiana's High-Demand Job Openings



**1.1 million Louisianians can not meet the basic requirements to apply for Louisiana's top jobs.**

# Louisiana Topping The Wrong List

*Leading the Nation in Higher Education Disinvestment*



State support for higher education has been

reduced by **nearly 44%** and nearly

**20%** considering all sources of funding.

# State Funding for Higher Education has Decreased 44% Since FY 08-09

(Excludes LOSFA and Hospitals)

<b>Fiscal Year</b>	<b>Total State Funds</b>	<b>Interagency Transfers</b> (includes Wise Funds)	<b>Self Generated Funds</b> (includes tuition & fees)	<b>Federal Funds</b>	<b>Total</b>
<b>FY 08-09</b>	\$1,571,583,691	\$110,422,653	\$721,868,856	\$32,153,026	\$2,436,028,226
<b>FY 15-16</b>	\$887,827,220	\$37,120,096	\$1,326,573,254	\$30,707,151	\$2,282,227,721
<b>Change</b>	<b>(\$683,756,471)</b>	<b>(\$73,302,557)</b>	<b>\$604,704,398</b>	<b>(\$1,445,875)</b>	<b>(\$153,800,505)</b>

*Source: Board of Regents*

# Budget Cuts = Increased Tuition & Fees

- **Since 08-09:**
  - Tuition and fees have increased approximately 99% while funding has been reduced (44% state / nearly 20% all sources).
  - Cost burdens for higher education has shifted from the state to students and families.

- **Tuition & Fees Increases  
4-year institutions**

**+\$3,646**

- **Tuition & Fees Increases  
2-year institutions**

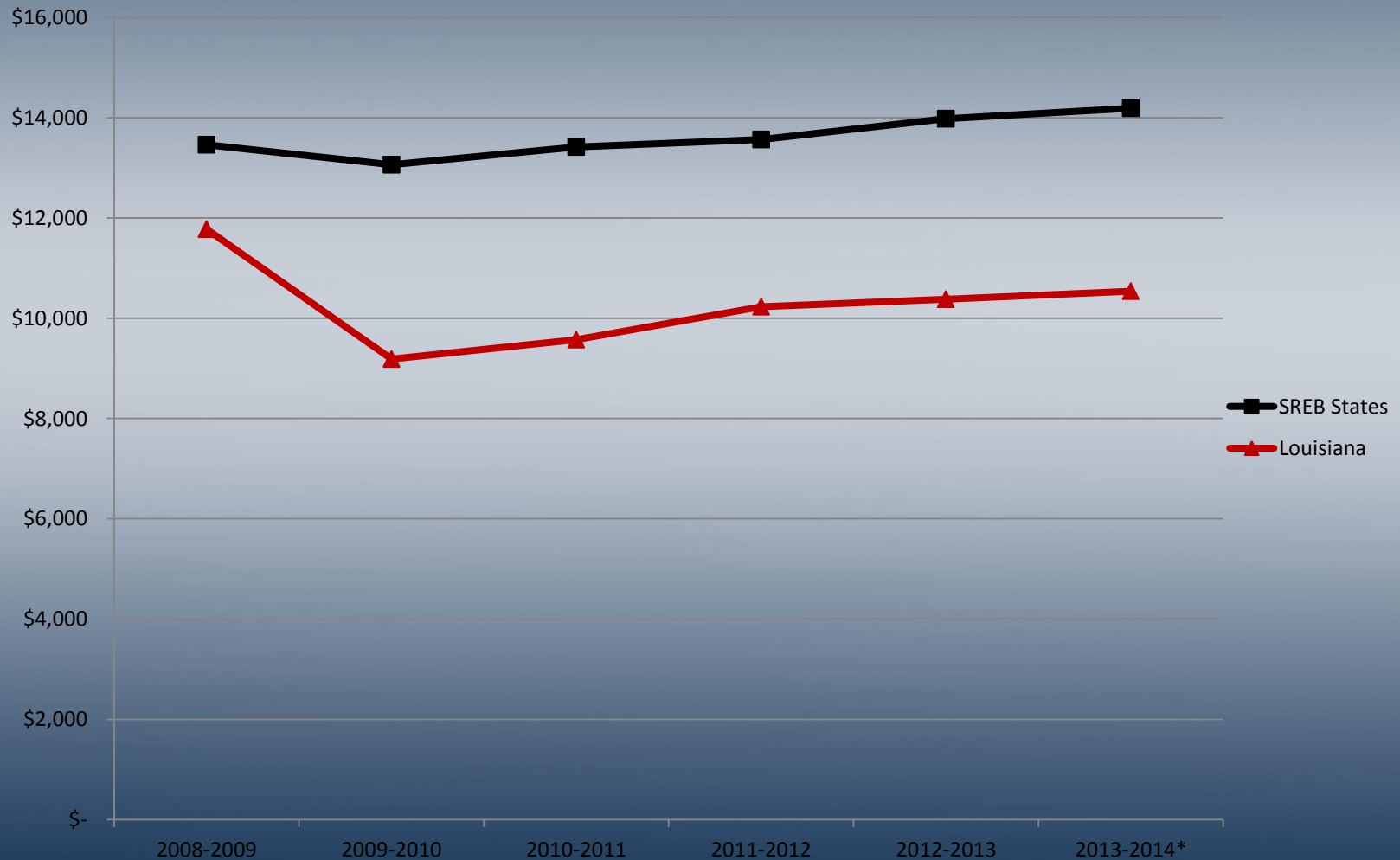
**+\$1,821**

\*Based on annual average per full-time student

*Source: Board of Regents Average Tuition and Fees Comparison*

# Funds for Operations Per Full-Time Equivalent Student Significantly Lower than SREB Average

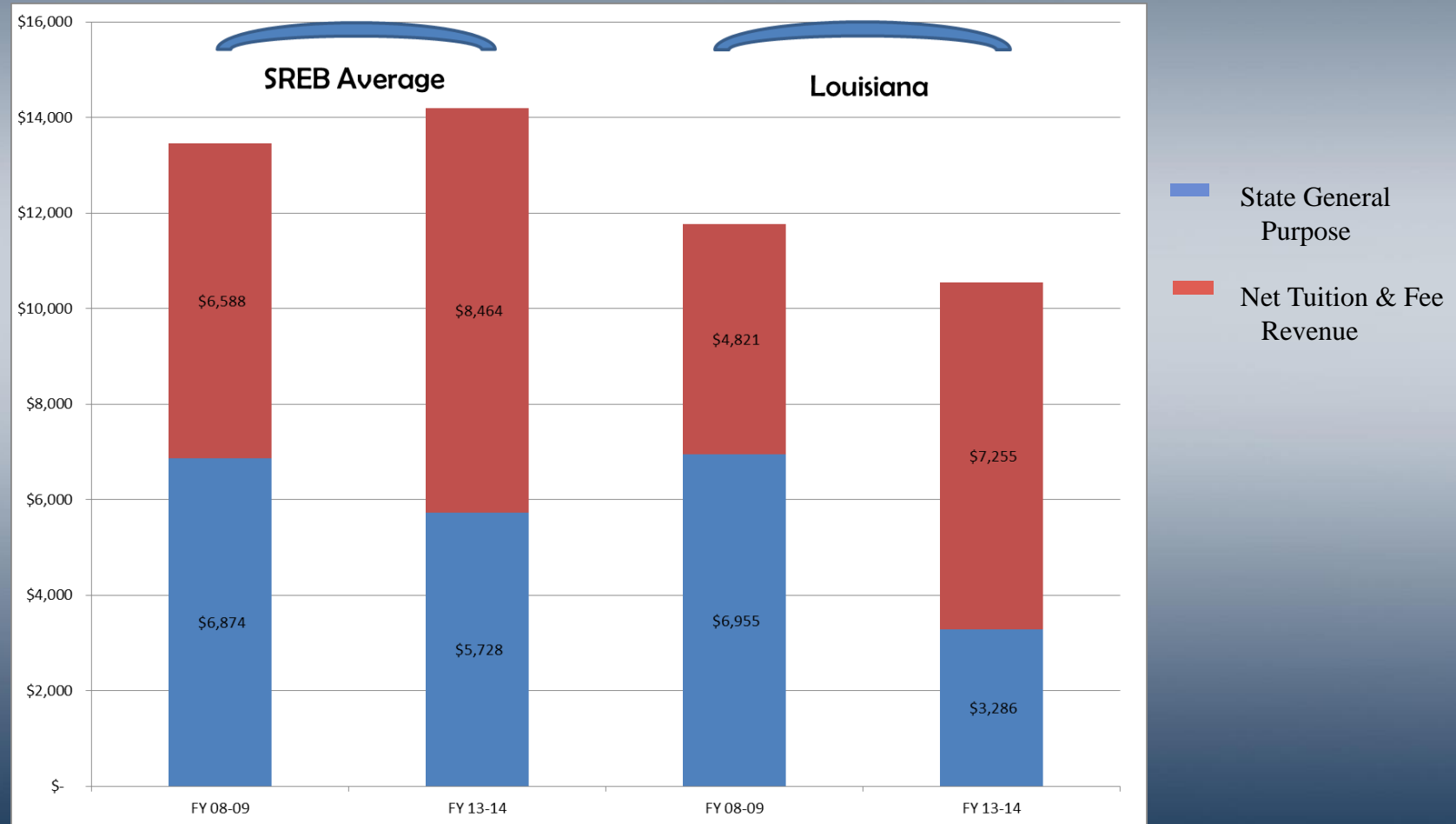
(All 4-Year Institutions)



Source: SREB Southern Regional Education Board

# Funds for Operations Per Full-Time Equivalent Student

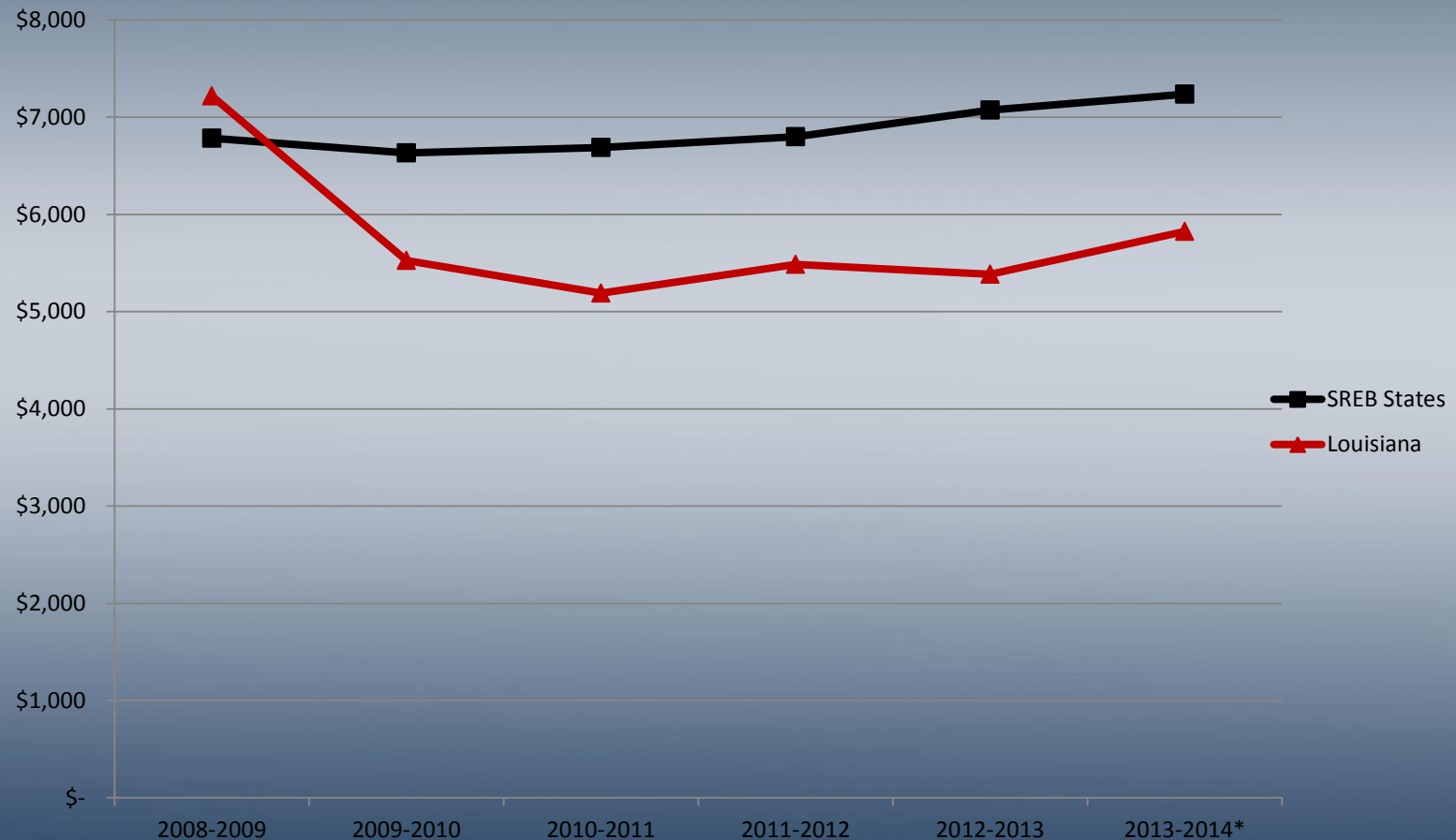
(All 4-Year Institutions)



Source: SREB Southern Regional Education Board

# Funds for Operations Per Full-Time Equivalent Student Significantly Lower than SREB Average

(All 2-Year Institutions)

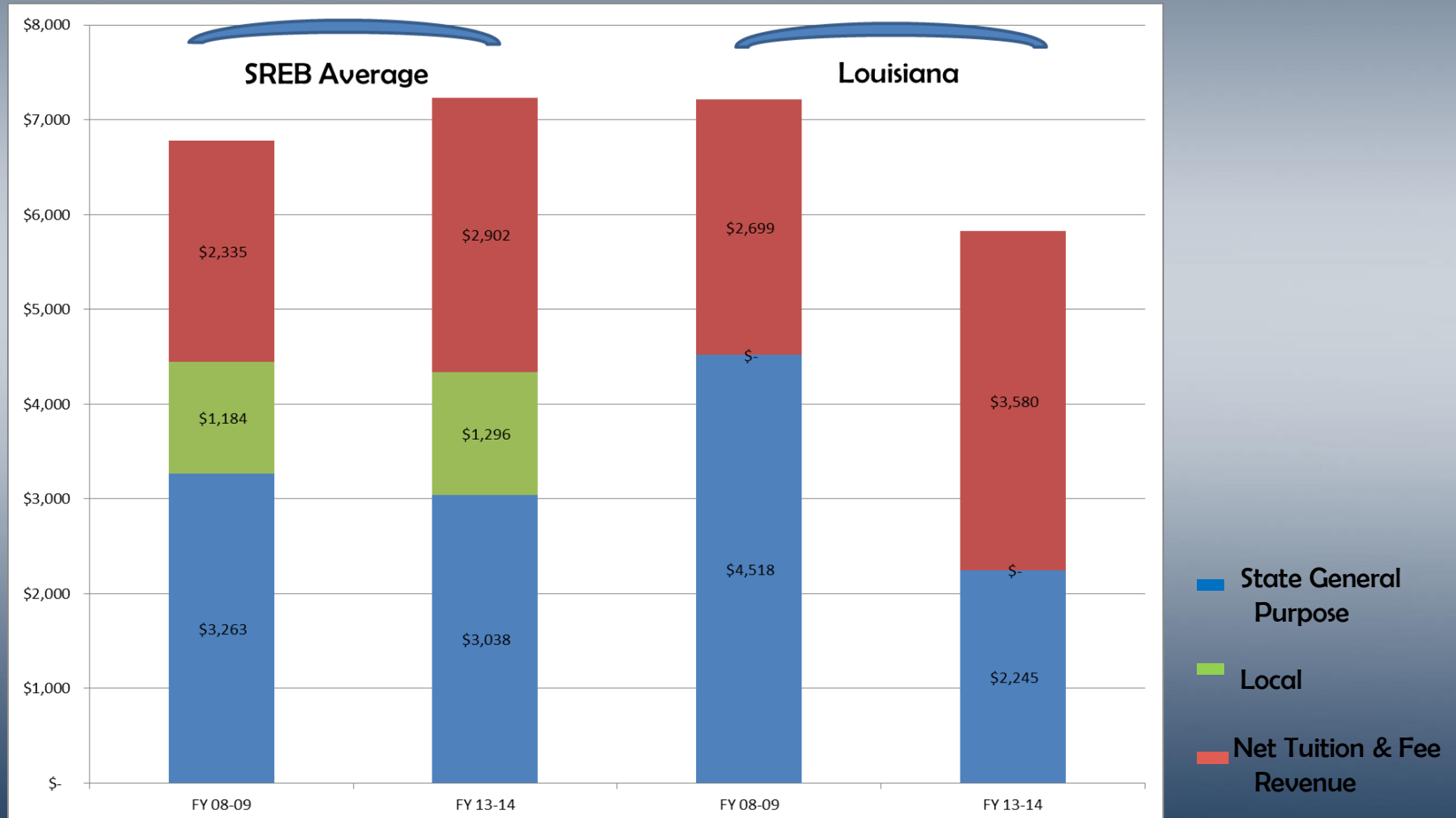


Source: SREB Southern Regional Education Board



# Funds for Operations Per Full-Time Equivalent Student

(All 2-Year Institutions)



Source: Source: SREB Southern Regional Education Board

# Louisiana Higher Education: The True Picture

Higher Education Institutions (Excluding LOSFA and Hospitals)

Fiscal Year	Total State Funds	Self Generated Funds	Federal Funds and Interagency Transfers	Total
FY 08-09	\$1,571,583,691	\$721,868,856	\$142,575,679	\$2,436,028,226
FY 08-09 Mandated Costs Paid Back To The State				(\$443,993,827)
*FY 08-09 Scholarships and Fellowships				(\$110,069,018)
<b>Dollars available for operations</b>				<b>\$1,881,965,381</b>
Fiscal Year	Total State Funds	Self Generated Funds	Federal Funds and Interagency Transfers	Total
FY 15-16	\$887,827,220	\$1,326,573,254	\$67,827,247	\$2,282,227,721
FY 15-16 Mandated Costs Paid Back To The State				(\$560,925,673)
*FY 15-16 Scholarships and Fellowships				(\$192,287,541)
<b>Dollars available for operations</b>				<b>\$1,529,014,507</b>
<b>Change in 8 years, \$352.9M Less for operations</b>				<b>(\$352,950,874)</b>
FY 08-09 Fall Enrollment	210,685	FY 08-09 EMPLOYEES	31,749	
FY 15-16 Fall Enrollment	219,088	FY 15-16 EMPLOYEES	26,779	
<b>More Students Enrolled</b>	<b>8,403</b>	<b>Less FTE Employees</b>	<b>-4,971 (-16%)</b>	

Note: Self generated funds include \$123 million of TOPS awards in FY 09 and \$265 million in FY 16.

\*Institutions provide scholarships/fellowships to attract the best students and to abide by legislative mandates at the expense of not receiving all budgeted tuition/fees.

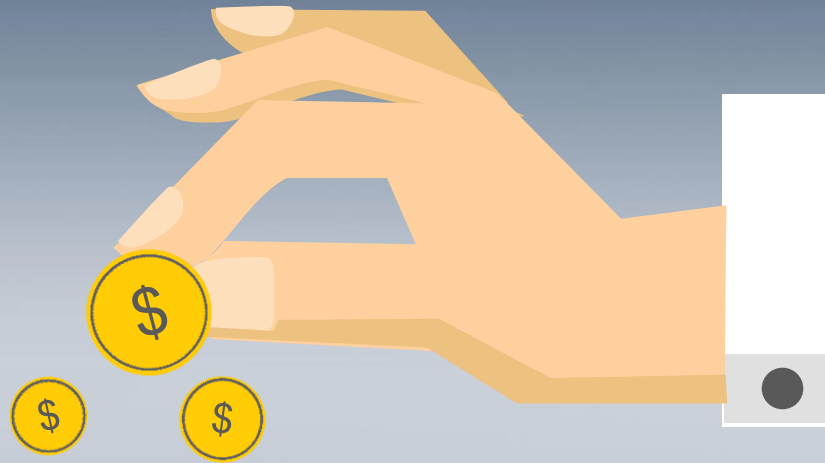
# HIGHER EDUCATION MANDATED COSTS EXCEED \$550M

63 cents of every dollar allocated to Higher Education now goes back to the state for mandated costs

	<b>FY 2008-09</b>	<b>FY 2015-16</b>	<b>\$ Change</b>	<b>% Change</b>
Office of Risk Management	\$53,307,971	\$51,380,489	(\$1,927,482)	-3.61%
Civil Service/CPTP	\$1,279,386	\$1,200,316	(\$79,070)	-6.18%
Legislative Auditor	\$3,986,205	\$6,134,442	\$2,148,237	53.89%
LASERS	\$61,583,411	\$66,037,417	\$4,454,006	7.23%
Teachers'	\$131,227,496	\$214,190,296	\$82,962,800	63.22%
Other Retirement	\$18,984,958	\$26,286,551	\$7,301,593	38.46%
Group Insurance – Active	\$115,175,382	\$109,044,869	(\$6,130,513)	-5.32%
Group Insurance - Retirees	\$58,449,018	\$80,678,685	\$22,229,667	38.03%
LCTCS (Other)	\$0	\$344,814	\$344,814	100%
EACMC – Retiree/ORM	\$0	\$3,424,035	\$3,424,035	100%
HPLMC – Retiree/ORM	\$0	\$2,203,769	\$2,203,759	100%
<b>Total</b>	<b>\$443,993,827</b>	<b>\$560,925,673</b>	<b>\$116,931,846</b>	<b>26.35%</b>

*Source: Board of Regents - Submitted by Systems*

**63¢ of every \$1 in state higher education funding  
goes to back to the state for mandated costs**



		
State Support	\$887,827,220	
Mandated Costs	<u>- \$560,925,673</u>	
	<b>\$326,901,547</b>	

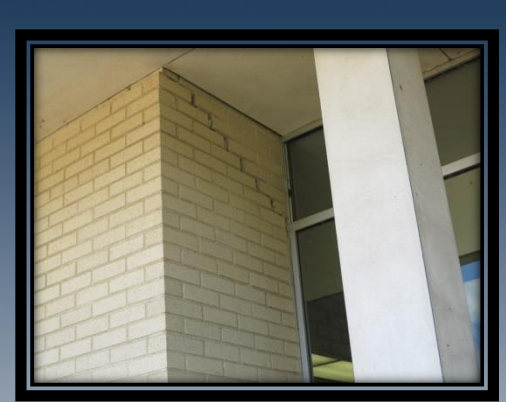
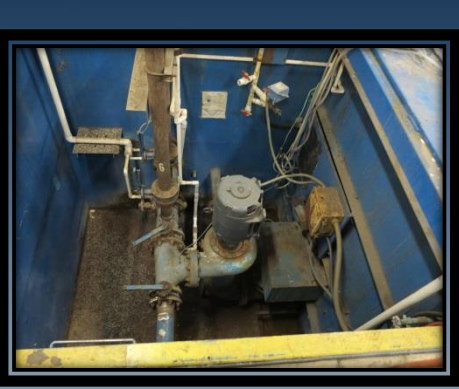
**Remaining state  
support for higher  
education**

\*State support number includes LCTCS pass through and rapid response funds

*Source: Board of Regents Average Tuition and Fees Comparison*

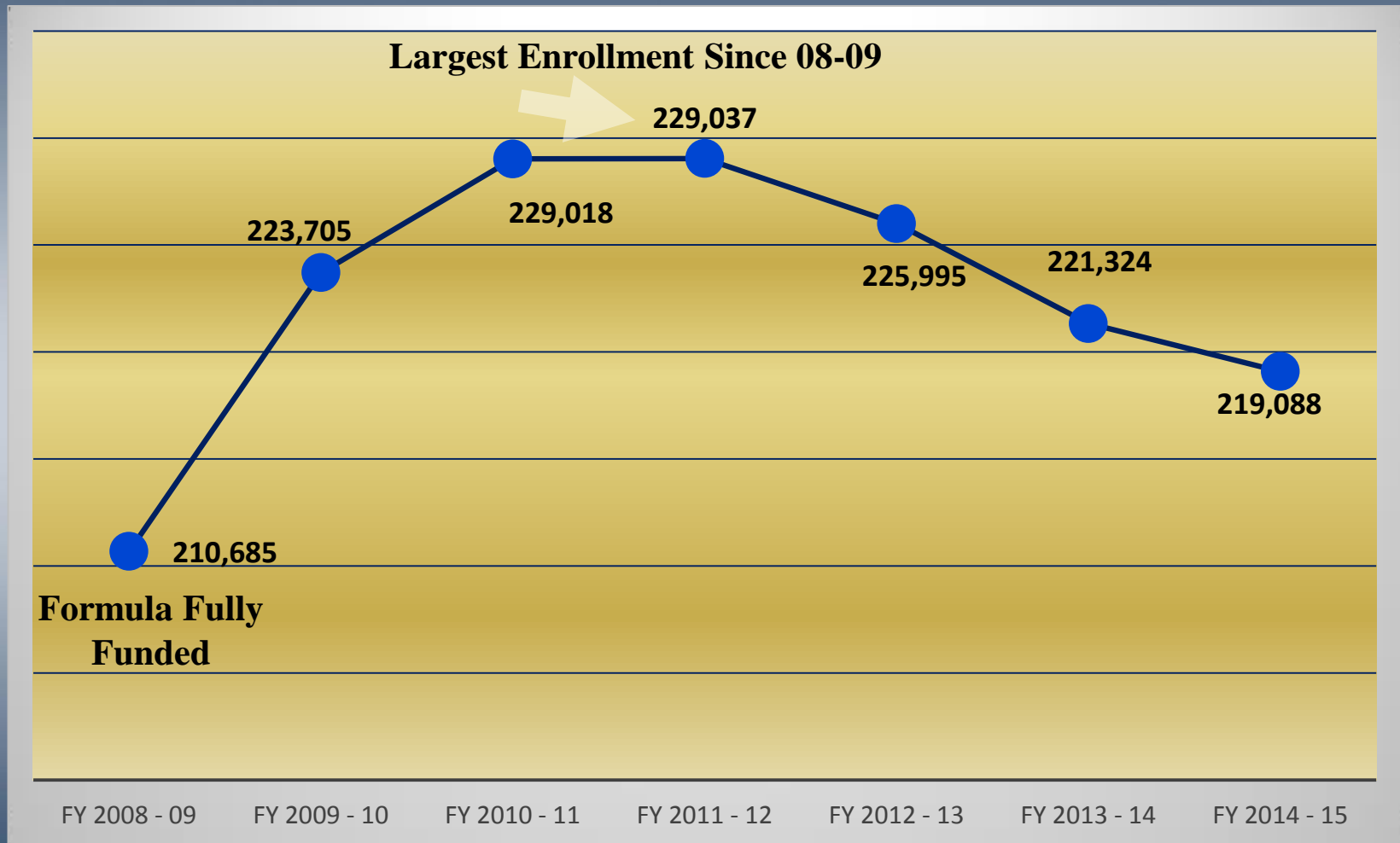
# Deferred Maintenance

- Deferred maintenance costs for higher education exceeds \$1.5B dollars.
- Higher education funding to maintain its facilities has decreased 96% since 2008.



*Source: Board of Regents*

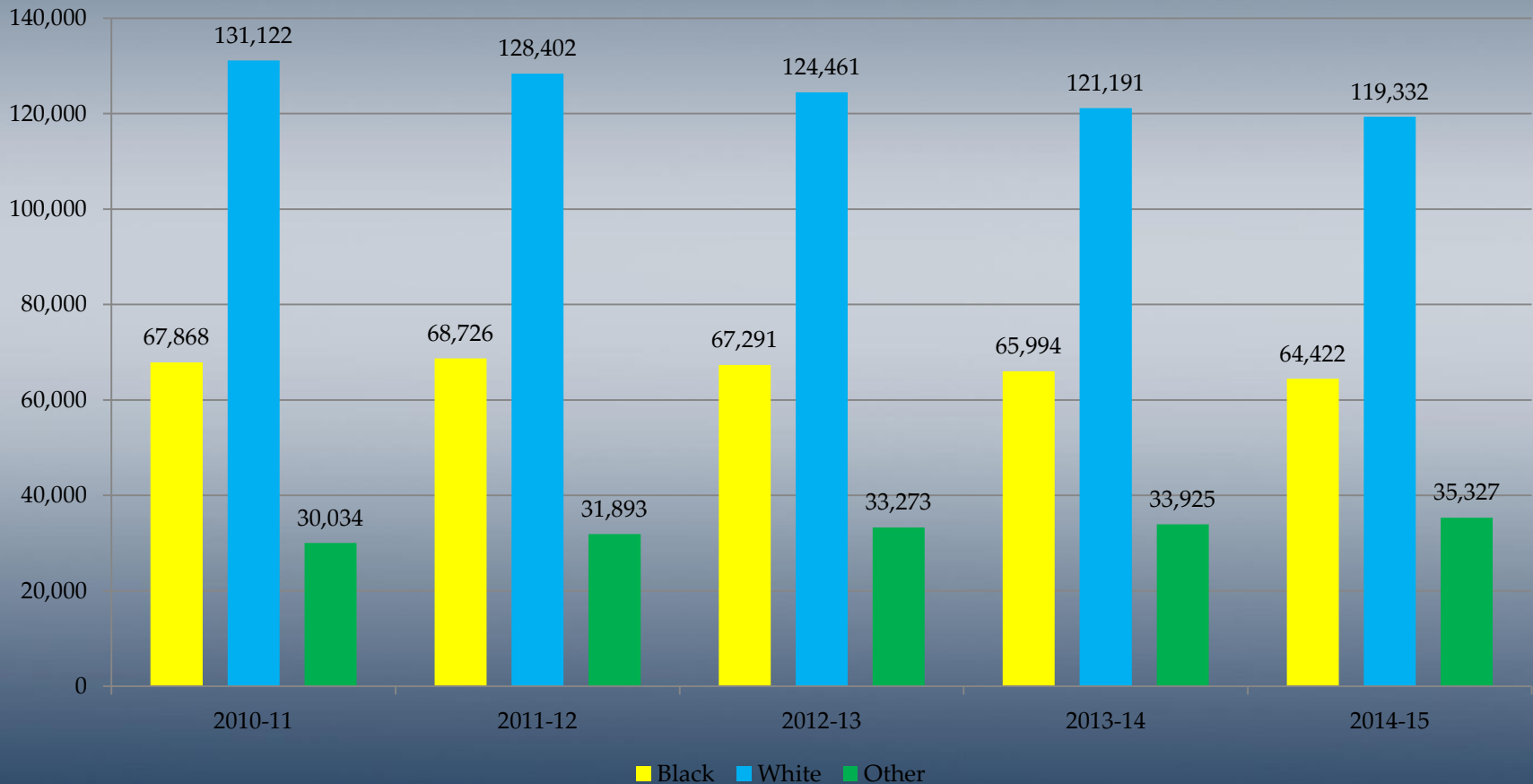
**In 2015, Louisiana high school graduation rates reached an all time high  
... but nearly 10,000 fewer students are enrolled in college than in 08 - 09**



**Total fall headcount enrollment**  
*(Includes students enrolled at technical, two-year, four-year and specialized institutions)*

*Source: Board of Regents*

# Louisiana Higher Education Enrollment by Race/Ethnicity





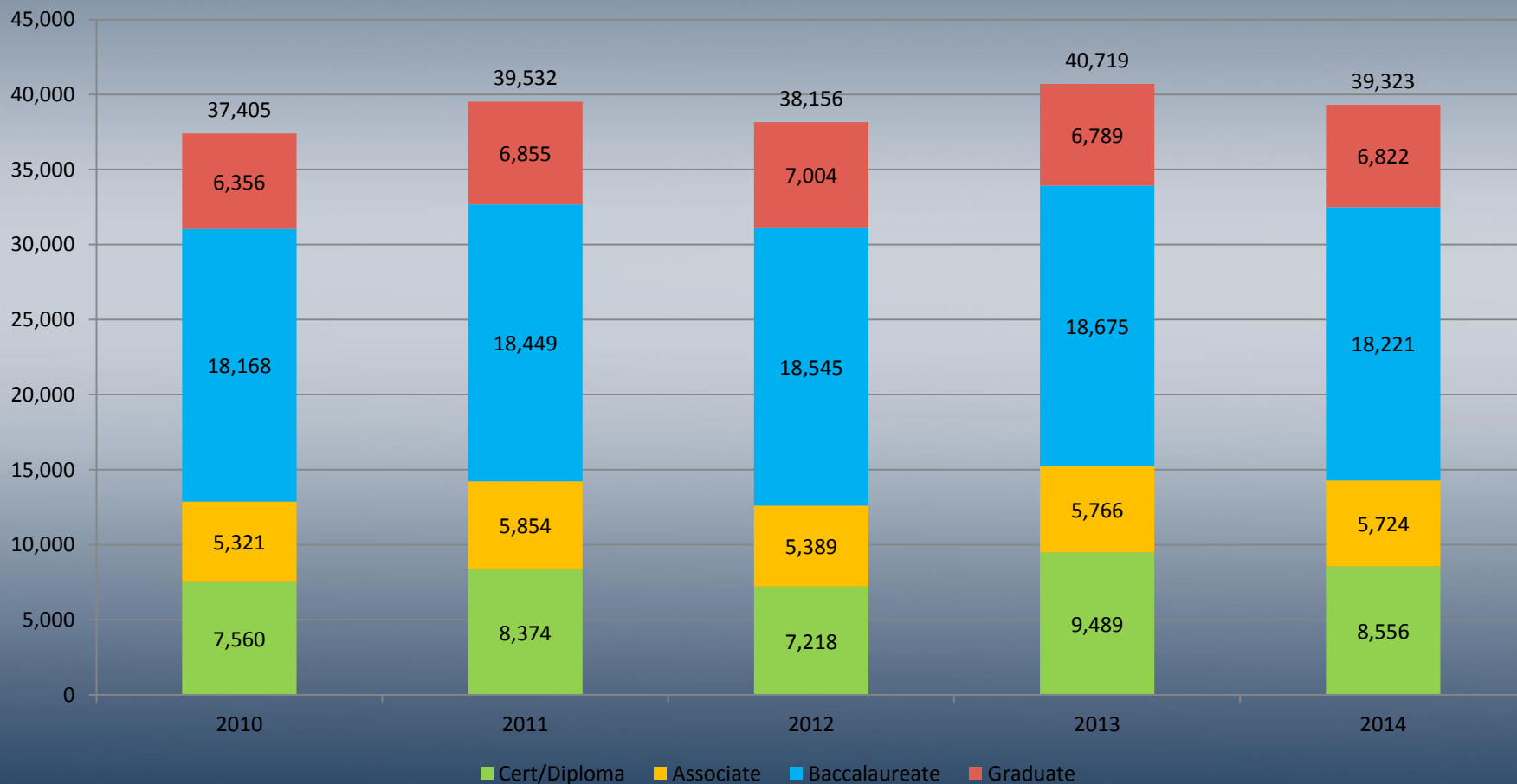
# Undergraduate Enrollment by Age Group



*Source: Statewide Student Profile System - Data Submitted by institutions*

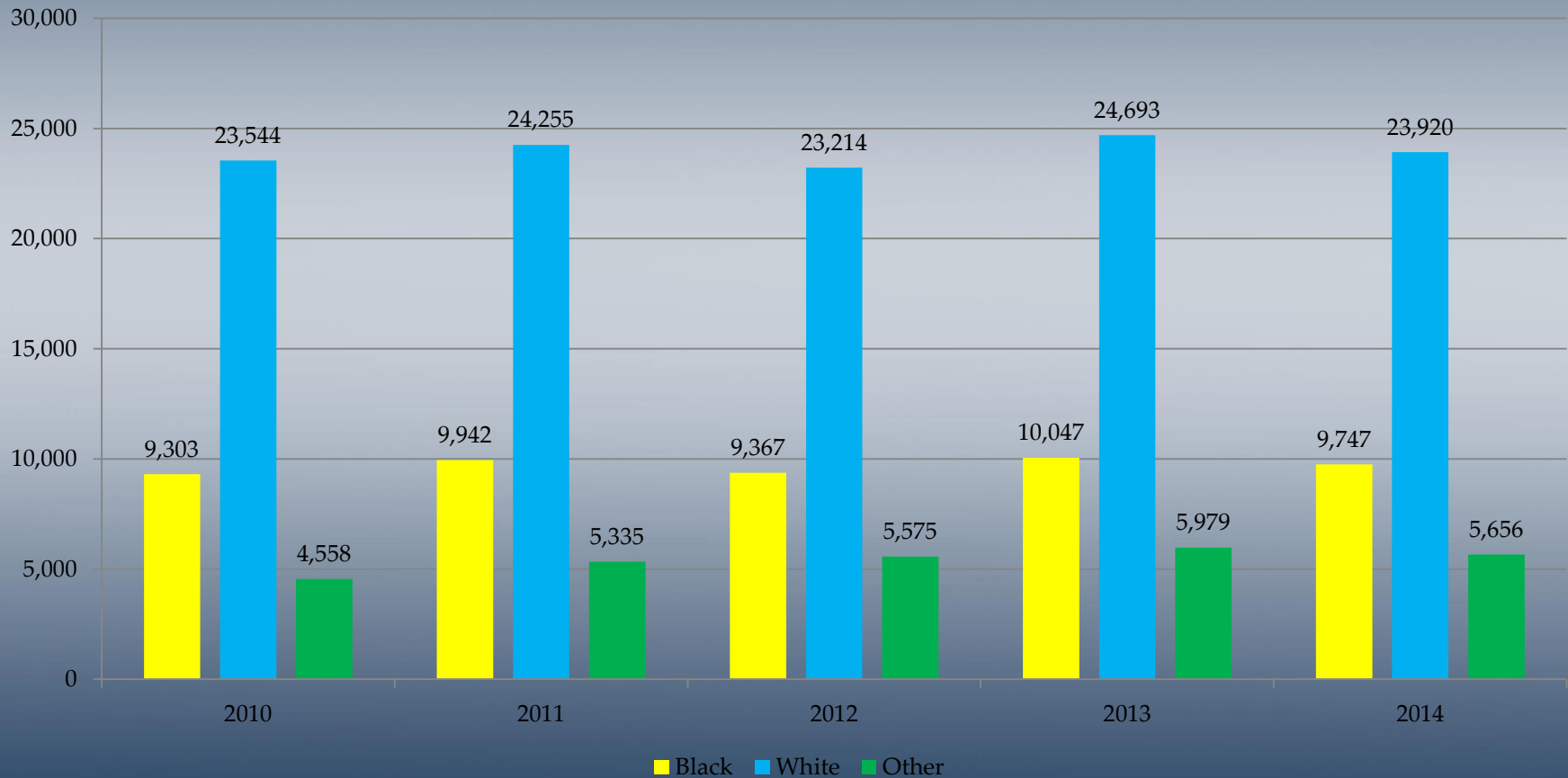


# Louisiana Higher Education Completer Data Trends

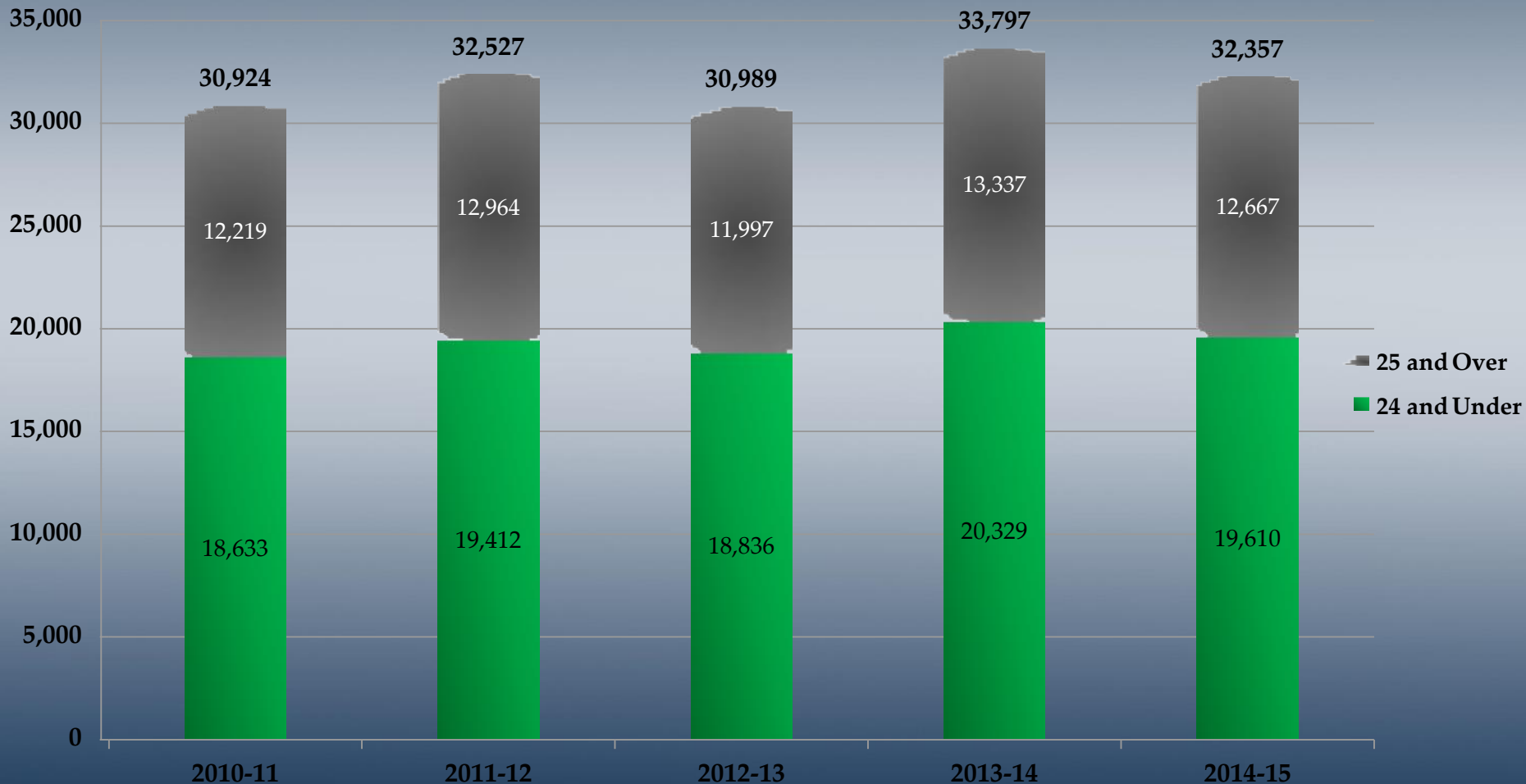


*Source: Board of Regents Completer System*

# LA Higher Education Completers by Race/Ethnicity

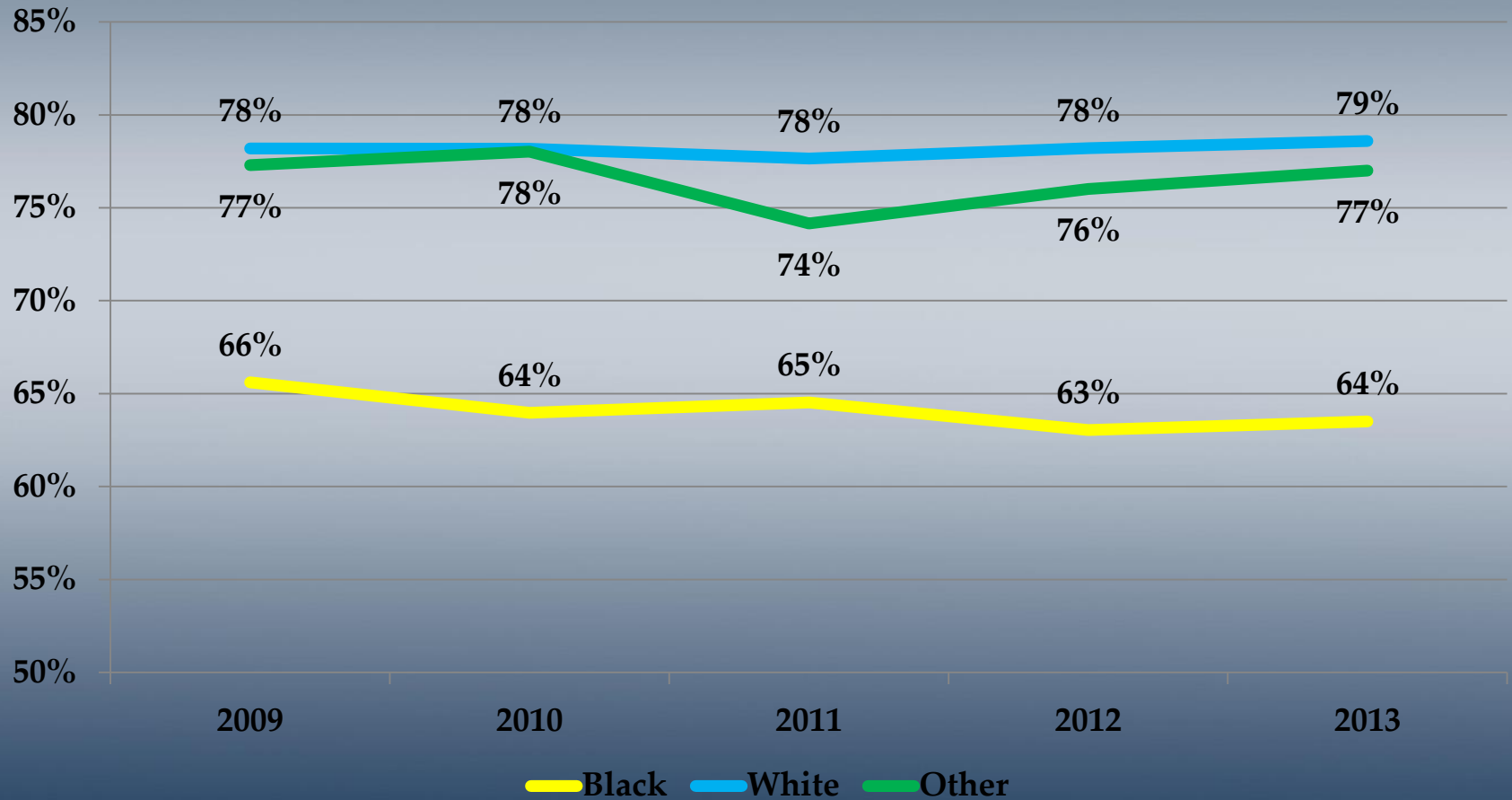


# Undergraduate Completers by Age Group

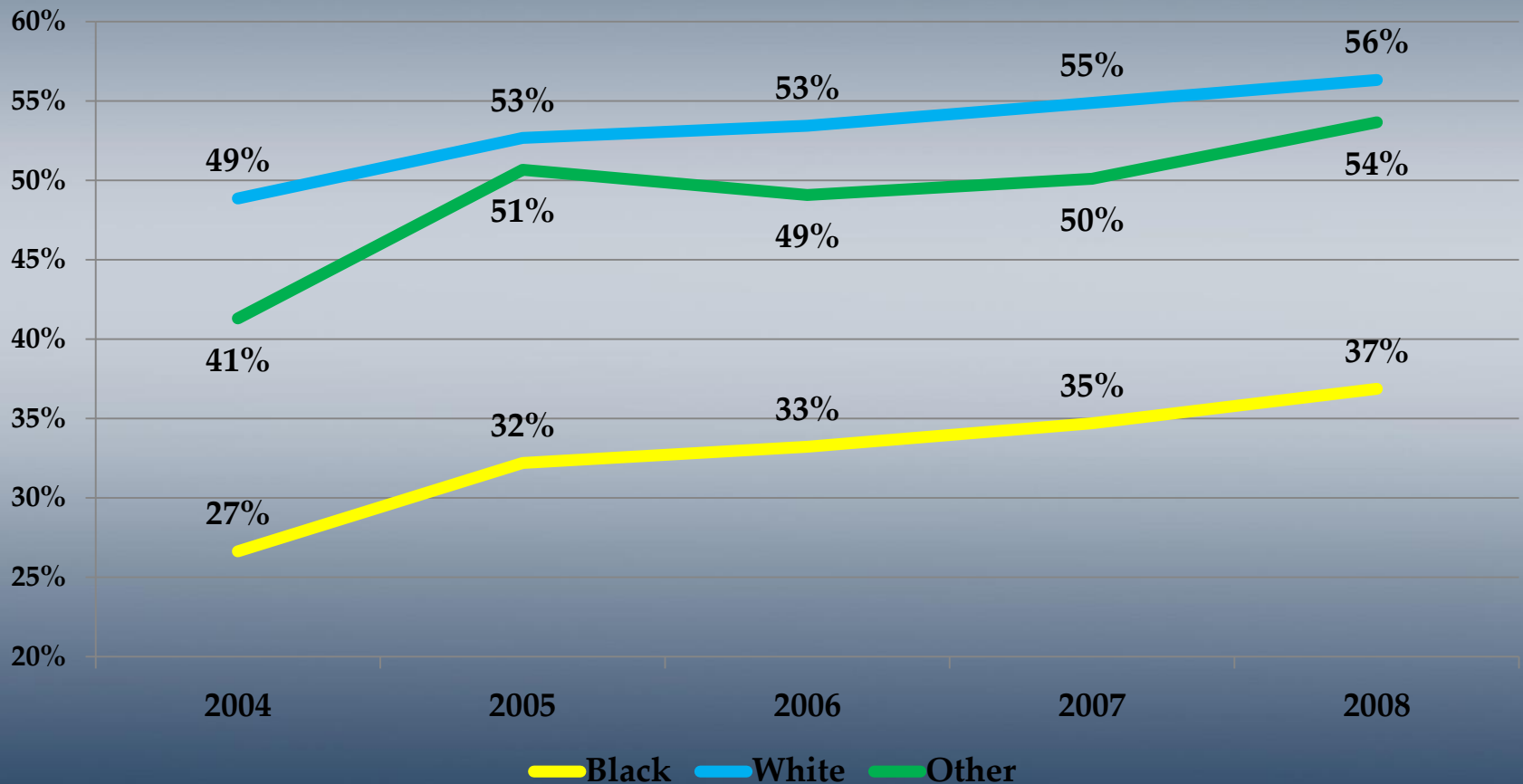


*Source: Board of Regents Completer System*

# Fall-to-Fall Retention Rates by Race/Ethnicity

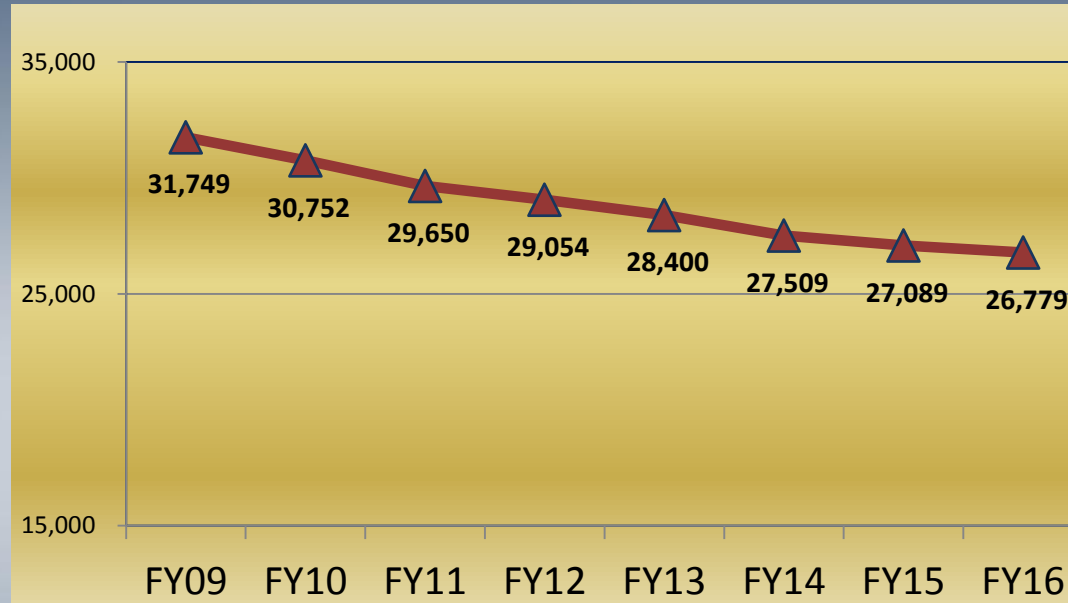


# Statewide Baccalaureate Graduation Rate by Race/Ethnicity



# What is Higher Ed doing to be more efficient?

Louisiana higher education has reduced nearly 5,000 full time employees (FTE) since FY09



5,000 fewer employees

- 1,197 fewer faculty members
- 621 fewer administrators
- 3,153 fewer staff members

**Eliminated/Consolidated 582 Academic Programs** (Jan/2008 and Dec/2015 )

**Increased Online Courses & Degrees by 44%**

*Source: Board of Regents*

# Louisiana Colleges and Universities Fuel Research and Innovation

## U.S. / LOUISIANA R&D COMPARISONS

SOURCE	LA	U.S.
Federal	\$320 million (21%)	\$53 billion (12%)
Industry	\$459 million (30%)	\$294 billion (69%)
Universities and Colleges	\$729 million (48%)	\$62 billion (15%)
Nonprofits	\$7 million (0.5%)	\$6 billion (2%)
State, other governments	\$7 million (0.5%)	n/a
TOTAL	\$1.5 billion	\$428 billion

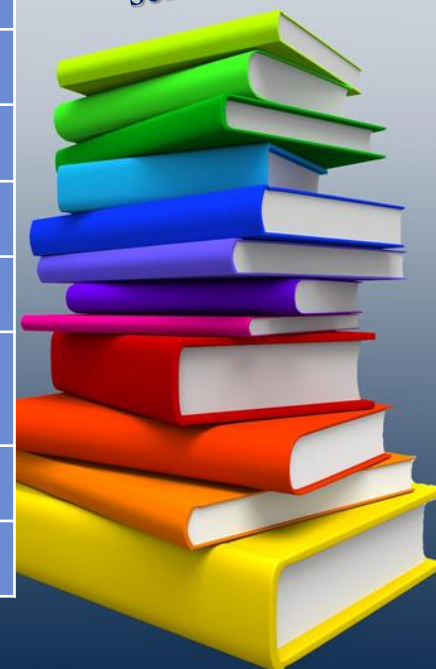
# Why is Louisiana Public Higher Education Important?

Program Completers That Lead to 4 & 5  
Star Rated Jobs (Academic Year 2014-15 )

75% of the Dentists  
in LA graduated  
from LSU.

70% of the doc's  
have completed their  
training (residency  
and/or medical  
school) at LSU.

Discipline Category	Associate Degree or Below	Baccalaureate or above	Completers from Louisiana
Science, Technology, Engineering, and Math (STEM)	2,193	4,661	79%
Health	2,346	3,798	90%
Business and Communication	978	4,427	84%
Trades	2,570	1,159	93%
Education	2	2,707	90%
Social and Behavioral Sciences and Human Services		2,498	85%
Arts and Humanities	189	1,483	85%
Grand Total	8,278	20,733	86%



Source: Board of Regents Completer System, Louisiana Workforce Commission and Louisiana Economic Development Star Rating System



# Louisiana Higher Education Efficiency Among Nation's Best



*Louisiana Ranks **16<sup>th</sup>**  
Nationally in Efficiencies  
according to the US Chamber of Commerce*

**Louisiana Ranks 4<sup>th</sup> of 16  
SREB States in Efficiencies**

*Source: US Chamber of Commerce*



# Transfer/Articulation Opportunities

There were 3,665 Louisiana Transfer majors in Fall/2014, a 20% increase (+606) over the number of majors in Fall/2013.

*Louisiana Transfer Degree Majors & Graduates, 2014 - 15*

	-- AALT --		-- ASLT --	
	Majors Fall/2014	Graduates 2014-15	Majors Fall/2014	Graduates 2014-15
Baton Rouge CC	592	32	417	6
Bossier Parish CC	109	8	73	1
Delgado CC	242	25	311	30
Fletcher TCC	101	0	0	0
LSU Eunice	75	25	27	9
LA Delta CC	52	7	145	4
Nunez CC	72	6	95	13
River Parishes CC	80	14	155	8
South LA CC	120	7	172	3
SU in Shreveport	659	1	78	0
Total	2,192	125	1,473	74

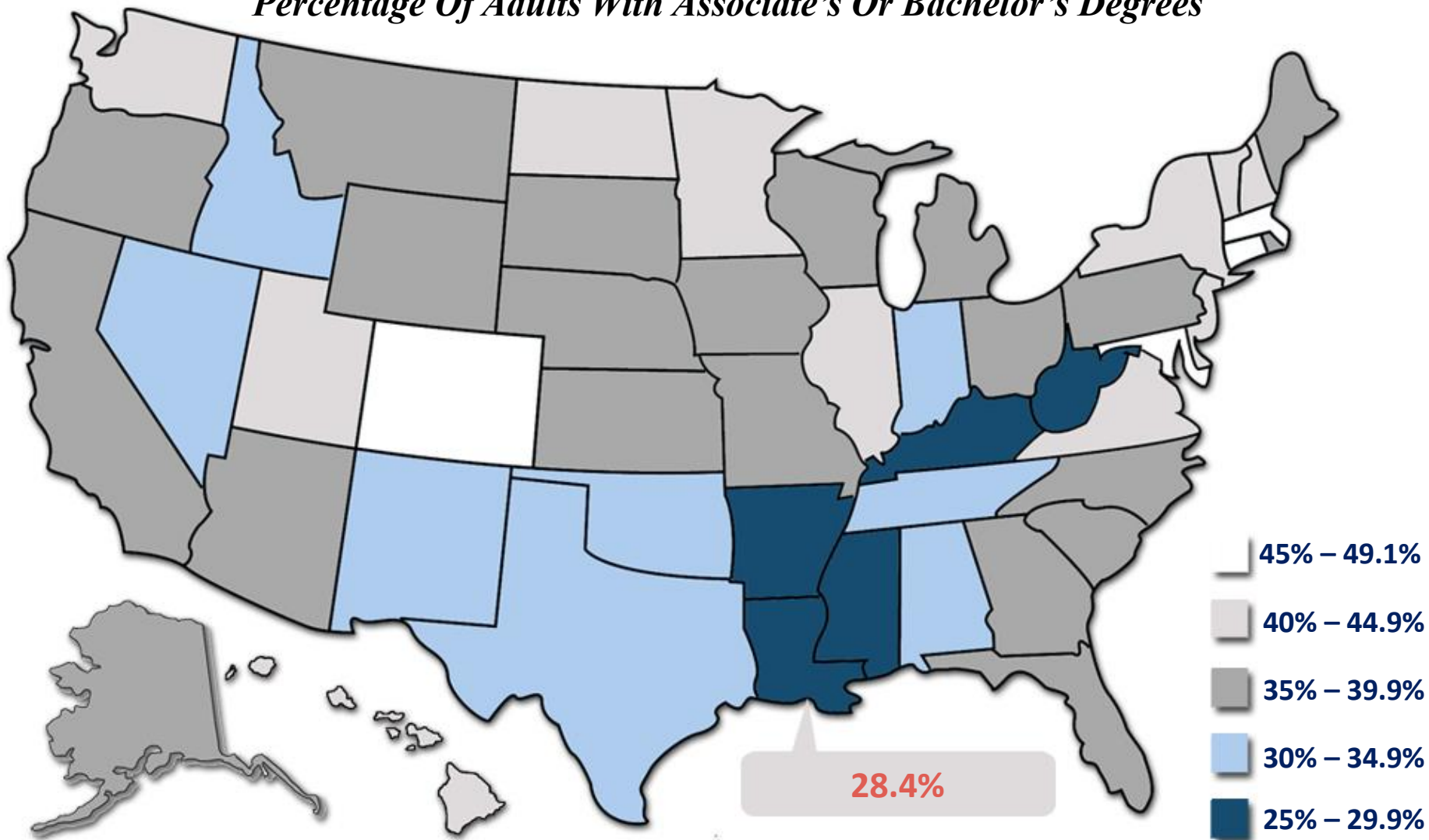
*Source: Board of Regents Fact Book 2013 -14*

# Where are We Now...



# Louisiana Ranks 48<sup>th</sup> Nationally In Educational Attainment

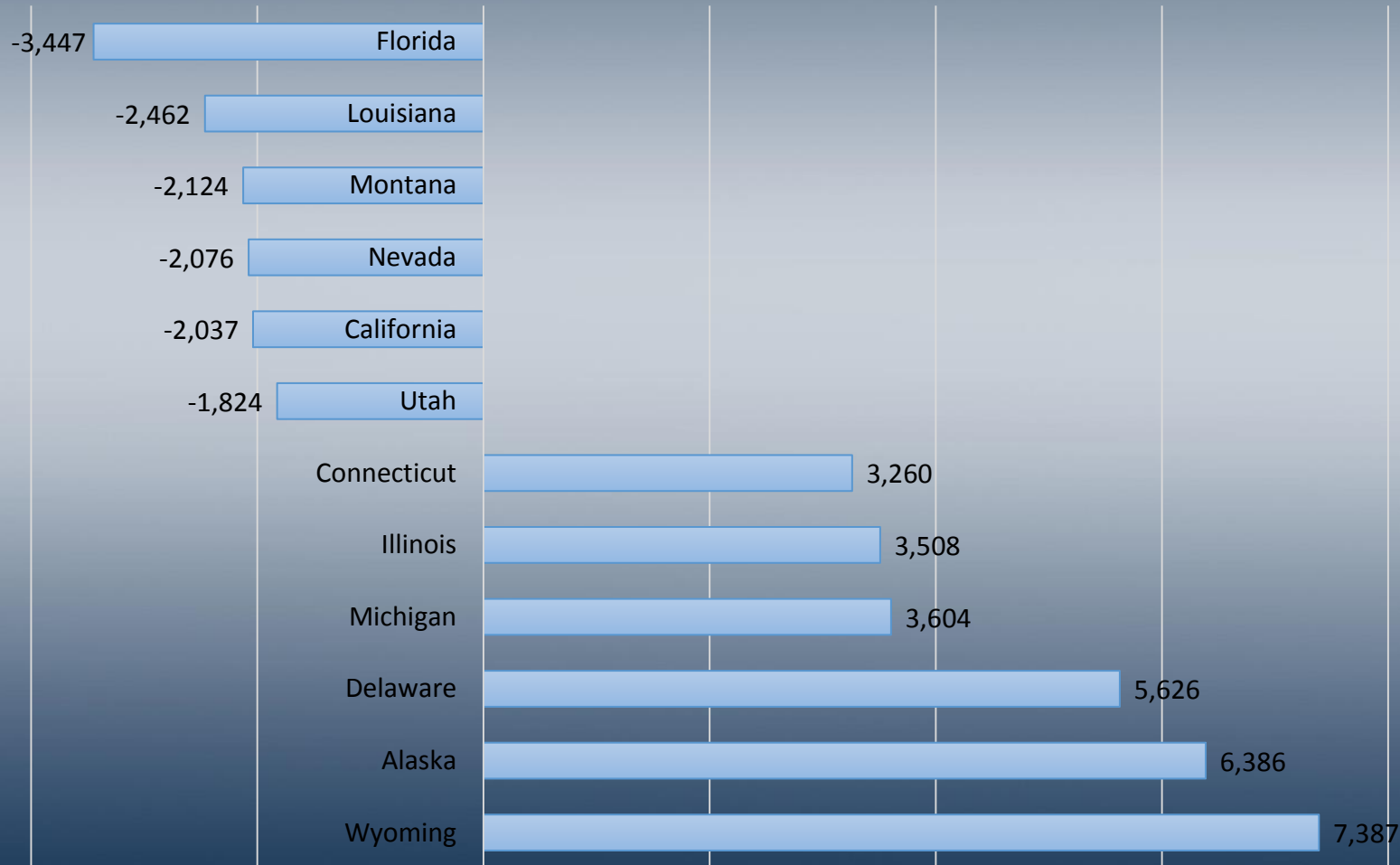
*Percentage Of Adults With Associate's Or Bachelor's Degrees*



Source: US Census Bureau

# Louisiana Ranks 49<sup>th</sup> in Total Education Revenue Per FTE

*Slipping from 48<sup>th</sup> in 2014*



Figures in dollars

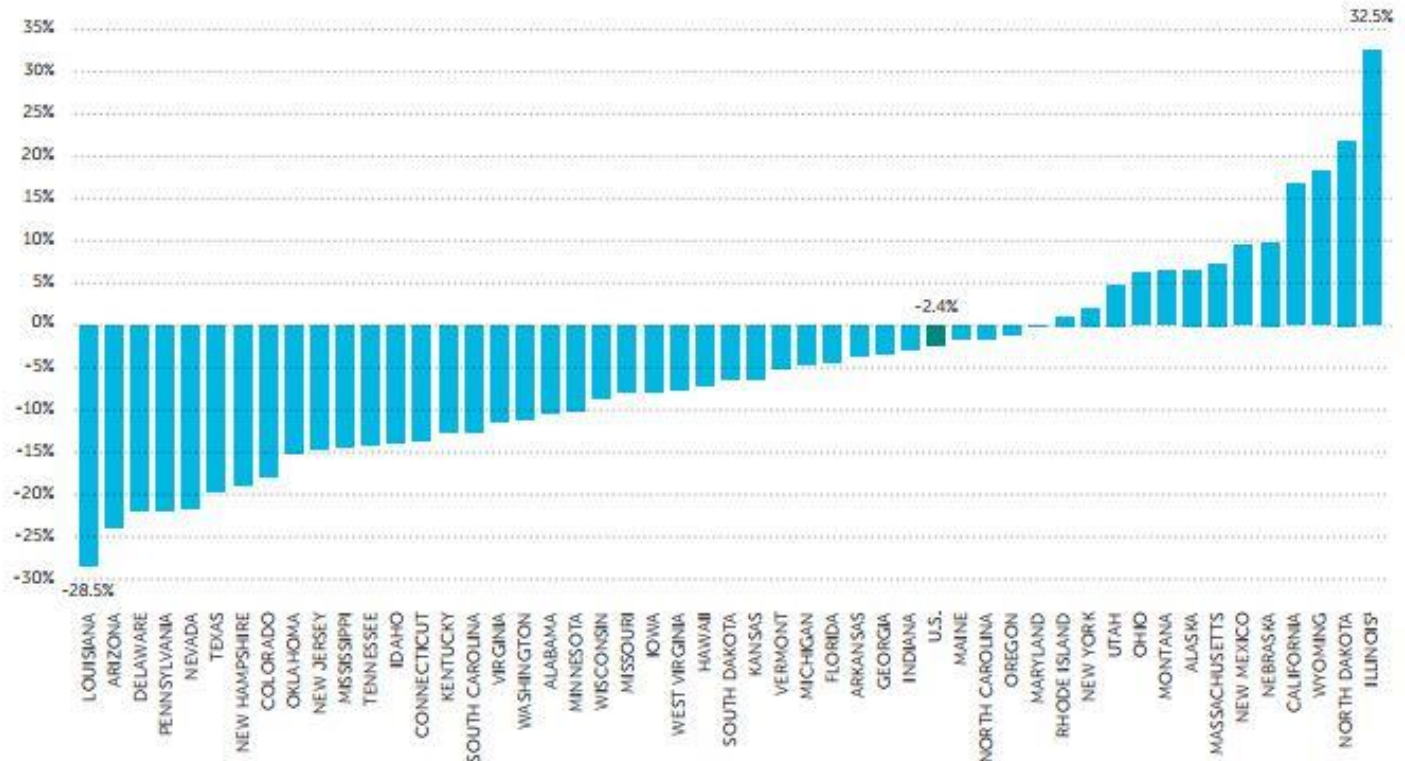
Source: SHEEO State Higher Education Finance FY 2015



# Louisiana Ranks LAST...

in Public Higher Education Appropriations Per FTE when compared Nationally

Louisiana has seen the largest percent reduction in educational dollars from the state – per FTE- in the Nation at -28.5 percent.



NOTE: 1) For Illinois, a \$1.08 billion back payment in FY 2015 to their historically underfunded higher education pension program resulted in past legacy pension funds accounting for 37% of all educational appropriations.

Dollars adjusted by 2015 HECA, Cost of Living Adjustment, and Enrollment Index.

SOURCE: State Higher Education Executive Officers

# Louisiana students are more likely to attend college close to home!



**89%**

of all Louisiana  
students enrolled in  
college attend locally

*Source: Board of Regents*

# Higher Education & K-12

- The number of high school students enrolled in postsecondary courses has increased:

Fall 2010 - 18,551

Fall 2013 - 20,454

Fall 2014 – 22,875

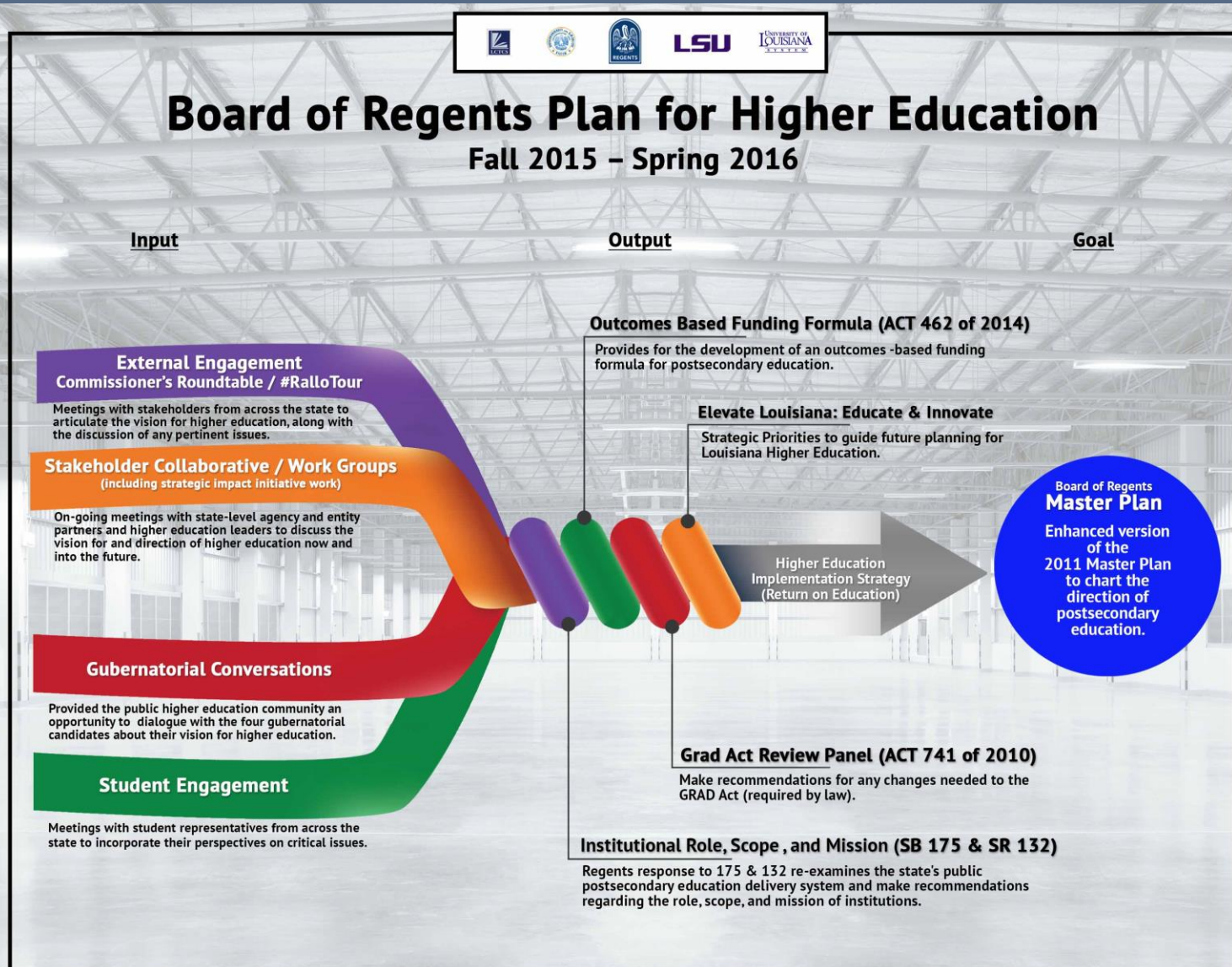






The Path Forward...

# Action Plan for Higher Education



# The Future of Louisiana Higher Education



BOARD of REGENTS  
STATE OF LOUISIANA

## Elevate Louisiana! Educate & Innovate

Louisiana's goals for higher education



### Educate

**“Educate through Higher Education  
to Improve Lives and Create a Strong Workforce.”**

*Enable Louisiana's working age population to participate in and complete a degree/credential program to improve their lives and deliver the workforce needed to support the state's economic expansion.*



### Innovate

**“Innovate to Build  
Louisiana's  
Economy.”**

*Invest strategically in research that supports innovation and economic development.*

# ELEVATE LOUISIANA:

## The New Reality for Higher Education

Aligned to the *Elevate Louisiana* mission, the Board of Regents approved a series of initiatives which address the projected fiscal realities for Louisiana higher education. The initiatives are guided by the following principles:

- Access to undergraduate education is essential to the population and economy of Louisiana.
- Access to graduate education must be re-evaluated from a narrower state-wide perspective.
- Resources must be provided for essential cutting-edge research at selected sites.
- Postsecondary resources must be targeted to respond to local/regional workforce needs.



# ELEVATE LOUISIANA: The New Reality for Higher Education

The Board of Regents will utilize a framework designed around the following initiatives:

1. Approve, as appropriate, revisions to existing role, scope and mission statements.
2. Develop and Adopt a Policy on mergers/consolidations of institutions.
3. Develop and Adopt a Policy on Financial Early Warning Systems and Financial Stress.
4. Revise Regents' Policy on Low-Completer Review to Elevate the Threshold for Review.
5. Conduct a Statewide and Regional Review of all Graduate programs.
6. Conduct a Statewide and Regional Review of Targeted Undergraduate Programs.
7. Review Degree Program Requirements and Available Courses to Encourage/Reward Structured Pathways to Degrees with Limited Course Choice.

# The Path Forward...

## Our Focus...

Increase Educational Attainment

Ensure Affordability

Maximize Accountability

## Our Priorities...

Significant and Sustainable State Funding

Increase Need-based Student Aid

Invest in State Capital Outlay

## ELEVATE LOUISIANA



Stronger  
Student  
Support

Fill  
Workforce  
Gaps

Increase  
Enrollment

Produce  
More  
Graduates

## DISINVESTMENT/ BUDGET CUTS



Mergers /  
Financial Exigency  
Possible Closures

Faculty &  
Staff Cuts

Institutional Accreditation  
& Funding

Reduce number of courses  
= longer time to graduation

Insufficient production  
of qualified graduates  
to meet workforce demands

Decreased spending  
in local communities  
across the state